

CITY OF SAINT MARYS COUNCIL RESCHEDULED WORKSESSION

SEPTEMBER 7, 2010

CALL TO ORDER

A Council rescheduled worksession of the City of Saint Marys was called to order by Mayor Sally Geyer on Tuesday, September 7, 2010 at 7:00 p.m. The meeting was held in the Council Room of City Hall, 11 LaFayette Street. Notice of this meeting was sent to Council on September 2, 2010, posted at City Hall, and published in the Daily Press.

ROLL CALL

Present: Mayor Sally Geyer, Bob Roberts, Richard Gabler, Jr., Daniel Hepner, Richard Dornisch, Steven Skok and Manager David Greene. Dennis Nero was excused.

VISITORS

Visitors included: Tina Gradizzi, Richard Sadley, Tom Farley and Robert Olinger from Keytex Energy. George Fetchko from Gerster Energy did not sign in.

APPROVAL OF MINUTES

August 16, 2010

Daniel Hepner made a motion to approve the minutes of August 16, 2010, seconded by Steven Skok, and all were in favor.

SPECIAL PRESENTATION

Re: George Fetchko from Gerster Energy on City Buildings Audit Update

George Fetchko from Gerster Energy presented Council with an update of the energy audits that were performed on the City's buildings. He thanked Matt Young, Lorrie Levenduski and Manager Greene for their help. He stated the following recommendations.

City Hall- High Efficiency Boiler for the Heating/Air Conditioning, Control Systems, and the Lighting Systems.

Maintenance Facility (Garage) - High Efficiency Boiler and upgrade the lighting.

Fire/Police Facility- High Efficiency Boiler and upgrades to the controls, to help the system run optimally.

Benzinger and Memorial Park- The conversion to LED lighting was too costly to recommend at this time.

Total cost for the recommended upgrades was \$476,327.00 which included equipment and labor. The guaranteed energy savings would pay for the project with an estimated \$33,000.00 annual savings for 15 years.

Mr. Fetchko stated that according to the contract the City had two weeks to make a decision of whether or not to proceed.

Mayor Geyer was concerned with the cost to the City and Bob Roberts stated his concerns with the recommendations, wording of the contract, and the cost to the City.

Council agreed there were still conditions to be worked out, and thanked him for the update.

CITIZEN COMMENTS ON AGENDA TOPICS

There were no citizen comments on agenda topics.

LEGISLATIVE ACTION**Consider for Adoption:**

Ordinance No. 260, re: Increasing the

Ordinance No. 260 was presented increasing the City's Indebtedness \$118,134.00 for Street Department Equipment.

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City’s Indebtedness \$118,134.00 for Street Department Equipment

Manager Greene explained the Note would be used to purchase a new 2011 Freightliner M2 106 truck with a tandem hydraulic system, plow and attachments; and a new 2010 GMC Sierra 2500 HD.

The Note with PNC, Bank will be at a rate of 2.66% per annum with the following scheduled payments.

- Year 2010 - \$ 4,210.04
- Year 2011 - \$25,260.24
- Year 2012 - \$25,260.24
- Year 2013 - \$25,260.24
- Year 2014 - \$25,260.24
- Year 2015 - \$21,050.20

Motion

Bob Roberts made a motion to adopt Ordinance No. 260, seconded by Richard Gabler, Jr.

Comment

Councilman Gabler and Mayor Geyer were both pleased the Note was less than the budgeted amount.

Motion Passed

All were in favor to adopt Ordinance No. 260.

Electric Supply Agreements, re: Keytex Energy

Robert Olinger from Keytex Energy explained two separate items. The first item was an extension to the current contract for the City’s street lights that would begin May 2011 and end December 2013 with a rate of .0609 per kWh. The second item was enrollment into an electric program with First Energy Solutions for the remainder of the City’s Electric accounts that were not currently under contract beginning January 2011 until June 2013 with a rate of .0640 per kWh.

Motion Passed

Daniel Hepner made a motion to approve the extension of the Street Light Contract beginning May 2011 until December 2013 at a rate of .0609 per kWh, seconded by Bob Roberts, and all were in favor.

Motion Passed

Daniel Hepner made a motion to accept the proposal for the remainder of the City’s electric accounts at a rate of .0640 per kWh, seconded by Richard Dornisch, and all were in favor.

Award of Bid: re, 2010 Road Resurfacing

The following bids were opened for 2010 Road Resurfacing during a public meeting on Monday, August 30, 2010 at 2:00 p.m. at City Hall.

New Enterprise	\$200,397.50
HRI	\$205,605.20
G.O Hawbaker	\$185,799.31
Continental Construction	\$297,343.00

The bid was advertised August 14, and August 18, 2010, in the Daily Press. Steven Samick, Street Superintendent, recommended the bid be awarded to G.O. Hawbaker, the lowest bidder.

Discussion

Mayor Geyer questioned why there was such a difference in amounts and Manager Greene responded only some of the bidders have their own batch plants for the materials needed, which reduces their costs.

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Motion Passed

Richard Gabler, Jr. made a motion to accept the recommendation of Steven Samick to award the bid to G.O. Hawbaker in the amount of \$185,799.31, seconded by Steven Skok, and all were in favor.

2011 Minimum Municipal Obligation
for the City's Pension Plans

Manager Greene read a memo from Carol Muhitch, Finance Director; Attached is a copy of the 2011 M.M.O. report for the pension funds. This report is done every year. Act 205 requires that it be submitted and approved by the governing body of the City of St. Marys by September 30, 2010.

Total requirement for the police pension is \$277,398.00 and \$166,214.00 for the non-uniformed employees, or a total of \$443,612.00.

Motion Passed

Steven Skok made a motion to approve the police pension M.M.O., seconded by Daniel Hepner, and all were in favor.

Motion Passed

Richard Dornisch made a motion to approve the non-uniformed pension M.M.O., seconded by Bob Roberts, and all were in favor.

CDBG Modification Update

Tina Gradizzi, Community & Economic Development Coordinator, explained the following:

In an effort to secure additional funding for the Depot Street Project, on February 1, 2010 a motion was made by Richard Dornisch and seconded by Steven Skok to pursue the proposed CDBG recommended modifications to the 2007 – 2010 CDBG grants. On February 15, 2010 a Public Hearing was held during the regular Council meeting and the modification plan was presented and approved. Richard Dornisch made the motion and Daniel Hepner seconded to accept the proposed modifications/revisions to the 2007 - 2010 CDBG grants.

The current 2007, 2008 and 2009 CDBG funding would be increased with the proposed modifications but, on July 30, 2010 the bid for the Depot Street Project came in under budget, so there was no need to follow through with the 2007 – 2010 modifications.

The 2010 CDBG application is currently being reviewed at DCED with the following projects that were previously approved by Council.

\$411,461	2010 CDBG Allocation
Less:	
\$74,100	Administration – 18%
\$337,581	Balance remaining for projects
\$101,274	RDA Slum/Blight – 30%
\$204,307	Housing Rehabilitation – LMI
\$32,000	Community Nurses - LMI

For reporting purposes the previous mentioned motions would have to be rescinded.

Motion Rescinded
(February 1, 2010)

Richard Dornisch rescinded his motion of February 1, 2010 to pursue the modifications to the 2007-2010 CDBG Grants, and Steven Skok rescinded his second to the motion, and all were in favor.

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Motion Rescinded
(February 15, 2010)

Richard Dornisch rescinded his motion of February 15, 2010 to accept the proposed modifications to the 2007-2010 CDBG Grants, and Daniel Hepner rescinded his second to the motion, and all were in favor.

Comment

Mayor Geyer commented she has received very nice comments on the Kaulmont Park upgrades.

Letter of cooperation to RDA

Because the Howell (former Mullaney) building was included in the original narrative for the modifications, Council discussed sending a letter to the Redevelopment Authority to request funds to complete the removal of the building.

Motion Passed

Bob Roberts made a motion to send a letter requesting the RDA to cooperate with the City to accomplish the Howell (former Mullaney) building project, seconded by Daniel Hepner and all were in favor.

Listing Agreement, re: Airport
Industrial Park

Manager Greene explained that he had contacted Coldwell Banker/Developac Realty because they currently are marketing the DuBois Regional Airport Industrial Park. The agreement being presented to Council was to list the St. Marys Airport Industrial Park and was identical to the DuBois agreement. The percentage would be 8% and the price per acre would be \$24,000.00.

There was a brief discussion regarding the ability to negotiate the price of the lots, and the experience of the realtor in marketing industrial parks.

Mayor Geyer preferred the local realtors be given an opportunity to present a listing agreement and asked the Manager to send out those requests.

Manager Greene stated he would contact the local realtors and request proposals. He would also attend the North Central Gas Expo in October to market the Airport and the Industrial Park.

(Added to Agenda) Elk County
Recovery Bond Issue- Letter of
support of the Downtown Hotel
Project

Manager Greene explained he was contacted by Matthew Quesenberry, Chief Clerk for Elk County. He stated the Elk County Commissioners, through the Recovery Bond Act, are considering designating a portion of their Bond Funds for the St. Marys Downtown Hotel Project. The Commissioner's are willing to pursue the financing, but they want to be sure the local municipality is in favor of the project and would support the Commissioners in their endeavor to provide Recovery Zone Bonds to the developer to build the downtown hotel. The Bonds need to be utilized by the end of this year.

Motion Passed

Daniel Hepner made a motion to send a letter of support for the St. Marys Hotel Project, seconded by Bob Roberts, and all were in favor, except Richard Dornisch who opposed.

TOPICS FOR DISCUSSION
Road Improvement Project

Councilman Hepner asked if there was an update on the \$1,000,000 road improvement project and Councilman

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Roberts responded the City was still waiting on a response from PennDOT. If approval was received the plans can be made to proceed for early next year, which may provide a better price.

Television reception problem

Manager Greene commented he had a resident request that Council look into the reception problems of the lower channels through the local cable company (Zito Media). Jim Rigas from Zito Media was contacted and responded that he was in touch with the technicians and the problems with the lower channels that the customers are experiencing are due to a video switch issue. Work was planned for either tonight or tomorrow to try to resolve the problem. Zito Media was focused on the issue and intended to have it resolved as soon as possible.

CITIZEN COMMENTS ON NON-AGENDA TOPICS

Thomas Farley

Thomas Farley, Planning Commission member and former Councilman, expressed his opinion to Council regarding the pending changes to the Sign Ordinance. He would express the same to the Planning Commission at their next meeting.

Council had a brief discussion regarding the revisions.

COUNCIL COMMENTS

Mayor Geyer commented there will be three openings next year for Council and residents should consider running for the available seats.

ANNOUNCEMENTS


Mayor Geyer made the following announcements:

- Next Council Meeting- Monday, September 20th, at 7:00 p.m. at City Hall.
- Chamber of Commerce "Wing Fling" will be held on Friday, September 10th, 2010.
- Project Gifts for Elk County will hold its motorcycle antique & collectable cars/trucks toy run on Sunday, September 12th, 2010 at Walmart at 11:00 a.m. and will depart at 1:00 p.m.
- City's Fall Clean up Day will be on Saturday, September 18th, 2010 from 8:00 a.m. until 2:00 pm at the City Garage on Graphite Road.
- St. Marys Lion's Club Rabies Clinic will be held on Saturday, September 18th, 2010 from 9:00 a.m. until 11:00 a.m. at Benzinger Park.
- Trick or Treat will be held Sunday, October 31st from 6:00 p.m. until 9:00 p.m., by porch light invitation only.

ADJOURNMENT

Richard Dornisch made a motion to adjourn the meeting.


Recording Secretary


Mayor